

TITLE	Corporate Risk Register
FOR CONSIDERATION BY	Audit Committee on 30 November 2021
WARD	None Specific
LEAD OFFICER	Deputy Chief Executive - Graham Ebers

OUTCOME / BENEFITS TO THE COMMUNITY

Enterprise Risk Management (ERM) provides for robust and transparent decision-making. Effective ERM is therefore an integral part of the council's governance arrangements and helps demonstrate the effective use of resources and sound internal controls. The council's Corporate Risk Register (CRR) demonstrates that the council is pro-actively identifying and managing its significant risks.

RECOMMENDATION

The Audit Committee is asked to consider and note the risks and mitigating actions of the Council's corporate risks as detailed in the attached CRR (Appendix A).

SUMMARY OF REPORT

One of the roles of the Audit Committee is to provide assurance on the adequacy of the Council's Risk Management Strategy and associated control environment. It does this by periodically reviewing the Strategy, and evaluating the effectiveness of the Corporate Risk Register.

At its previous meeting on 15 September, the Audit Committee received an update on the latest Council Corporate Risk Register (CRR). Since the last meeting, Directors have updated their Directorate Risk Registers and considered any further changes to the CRR. The details of the CRR is attached to this report (Appendix A).

The Director of Adult Services will attend this Committee to review the specific risks in his area.

There has been one new risk added to the register since the last report to the Committee – this is:

- Health & Social Care Reforms

Two risks have been removed. "IT Infrastructure" and "Telephony" have been removed following the successful mitigation of both risks.

In addition, a number of statutory duty risks such as Health & Safety, regulatory inspections and equalities have been amalgamated under one risk "Failure to meet Statutory Duties."

Background

- 1.1 The Council's Constitution sets out the remit of the Audit Committee as follows with regard to Risk Management.

Extract from Constitution (paragraph 4.4.3.2 (d))

To provide an independent assurance of the adequacy of the Risk Management Strategy and the associated control environment. In particular:-

i) To receive the annual review of internal controls and be satisfied that the Annual Governance Statement properly reflects the risk environment and any actions required to improve it;

ii) To receive quarterly reports reviewing implementation of the Council's Risk Management Policy and Strategy to determine whether strategic risks are being actively managed;

iii) To review, revise as necessary and recommend adoption of the Risk Management Policy and Strategy to Executive when changes occur;

iv) To have the knowledge and skills requisite to their role with regard to risk management and to undertake awareness training in respect of Enterprise Risk Management (ERM) as and when specific training needs are identified.

- 1.2 The Audit Committee has historically received a report on the Corporate Risk Register at each meeting (ii above). The remit of the Committee is to gain assurance on the risk management process as opposed to a detailed analysis of individual risks. In discharging this responsibility, the Committee is advised to focus its review in seeking assurance that the risk management framework ensures that new key risks are identified, that risk mitigations are in place and are effective, and that management action ensures a match with the risk appetite of the Council.

Corporate Risk Register

- 2.1 The Enterprise Risk Management Policy (ERMP) states that the Corporate Leadership Team (CLT) is responsible for identifying and managing the Council's risks and opportunities, and for setting an example to staff. CLT is also responsible for identifying, analysing and profiling high-level strategic and cross-cutting risks on a regular basis.
- 2.2 Since the September 2021 meeting of the Audit Committee, Directors and Assistant Directors have reviewed their directorate risk registers and considered whether any new risks have emerged. The Risk Champions group has also met twice to consider the register in more detail and embed the connection between directorate risk registers and the Corporate Risk Register. Changes made since the last meeting fall into the category of either presentational or new/removed risks.
- 2.3 The main changes to the composition of the register are as follows:-

Presentational

Changes have been to the presentation of the register to show more clearly:-

- the current assessment of each risk,
- the risk “appetite” and
- the connection between mitigating actions and achieving the desired level of risk i.e. the risk appetite.

New Risk

- Health & Social Care Reforms

Removed Risks

Two corporate risks have been removed from the CRR to be managed at a directorate level:-

- IT Infrastructure - following the successful delivery of the associated project.
- Telephony – following the successful delivery of the associated project.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe funding pressures, particularly in the face of the COVID-19 crisis. It is therefore imperative that Council resources are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£0	Yes	Revenue
Next Financial Year (Year 2)	£0	Yes	Revenue
Following Financial Year (Year 3)	£0	Yes	Revenue

Other financial information relevant to the Recommendation/Decision

Effective risk management mitigates financial risks associated with the Council achieving its objectives.

Cross-Council Implications

Risk management influences all areas of the Council – effective risk management is one of the ways assurance is provided that the Council’s key priorities and objectives will be achieved.

Public Sector Equality Duty

This is a report to note. An equalities impact assessment is not therefore required.

Reasons for considering the report in Part 2

Not applicable

List of Background Papers
Previous Corporate Risk Register papers to Audit Committee Enterprise Risk Management Strategy and Policy

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